စာအမှတ် ၅၃၄၈-၁
နေ့စွဲ ၁၈.၇.၂၀၀၅

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၄၀၅/၂၀၀၅ ၂၀၀၅ ခုနှစ်၊ ဇူလိုင် လ ၁၈ ရက်။

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် ဦးဆောင်ဆွန်ကြားရေးမှူး၊ မြန်မာ့ရေနံနှင့်သဘာဝဓါတ်ငွေ့လုပ်ငန်း။

(ခ) မည်သည့်နိုင်ငံသား မြန်မာ

(ဂ) နေရပ်လိပ်စာ အမှတ် ၇၄/၈၀၊ မင်းရဲကျော်စွာလမ်း၊ ရန်ကုန်မြို့။

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ မြန်မာ့ရေနံနှင့်သဘာဝဓါတ်ငွေ့လုပ်ငန်း အမှတ် ၇၄/၈၀၊ မင်းရဲကျော်စွာလမ်း၊ ရန်ကုန်မြို့။

(င) ဖွဲ့စည်းရာအရပ် ရန်ကုန်မြို့။

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား ရေနံနှင့်သဘာဝဓါတ်ငွေ့ ရှာဖွေတူးဖော်ထုတ်လုပ်ရေး လုပ်ငန်း ။

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) လုပ်ကွက်အမှတ် M - 11 မုတ္တမကမ်းလွန်ဒေသ

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၁၄.၄ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ၂၀၀၅ ခုနှစ်မှ ၂၀၁၁ ခုနှစ်အထိ

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ (၁၄.၄) သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ

(ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့်သက်တမ်း ၆ နှစ်

(ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် PTTEP INTERNATIONAL LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

Union of Myanmar / Myanmar Investment Commission

Form (2)

Sr. No. 5148-B

Dated 18.7.2005

The Myanmar Investment Commission

PERMIT

Permit No. 405/2005   *Date* 18th JULY ,2005

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter MANAGING DIRECTOR ,MYANMA OIL & GAS ENTERPRISE

(b) Citizenship MYANMAR

(c) Address NO.74/80,MIN YE KYAW ZWAR ROAD, YANGON.

(d) Name and address of principal organization MYANMA OIL & GAS ENTERPRISE NO.74/80,MIN YE KYAW ZWAR ,ROAD YANGON

(e) Place of incorporation YANGON

(f) Type of business in which investment is to be made EXPLORATION & PRODUCTION OF OIL & GAS

(g) Place (s) at which investment is permitted BLOCK M-11 MOATTAMA OFFSHORE AREA

(h) Amount of foreign capital US $ 4.4 MILLION

(i) Period for bringing in foreign capital 2005 TO 2011

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US $ 4.4 MILLION

(k) Permitted duration of investment 6 YEARS

(l) Name of the economic organization to be formed in Myanmar PTTEP INTERNATIONAL LIMITED

Chairman

The Myanmar Investment Commission

Confidential

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Yaka-1/Na-571/2005(5148-B)
Dated : 18th July 2005.

Tel : 372219, 372855
Fax : 095-01-254660

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Exploration and Production of Oil & Gas" under the name of "PTTEP International Ltd. (Thailand)."**

Reference: Ministry of Energy letter No. 008/675/Hta dated 30-6-2005.

1. The Myanmar Investment Commission, at its meeting 24/2005 held on 29-6-2005, had reviewed the proposals for investment in "Exploration & Production of Oil & Gas" for Moattama offshore Block (M-11) under the name of " PTTEP International Ltd. (Thailand)" pursuant to the Production Sharing Contract to be signed between Myanma Oil & Gas Enterprise and PTTEP International Ltd. (Thailand).After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting 26/2005 held on 14-7-2005, resolved to permit the implementation of the said project. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be an initial term of 6 years, comprising 12(Twelve) months for study period , 3 (Three) years for exploration period which can be extended one year at a time for 2 (Two)times.

4. PTTEP International Ltd. (Thailand) shall pay royalty to the Government equal to 10(Ten) percent of the value of Available Petroleum from the Contract Area.

5. PTTEP International Ltd. (Thailand) shall pay a Data Fee to the amount of US$ 250,000 (United States Dollars Two Hundred and Fifty Thousand Only) to Myanma Oil and Gas Enterprise within 20(Twenty) days after the Effective Date.

6. PTTEP International Ltd. (Thailand) shall pay to the amount of US$ 1,000,000 (United States Dollars One Million Only) as Signature Bonus within 20 (Twenty) days after the date of commencement of the initial term of the Exploration Period to Myanma Oil and Gas Enterprise.

7. PTTEP International Ltd. (Thailand) shall pay Production Bonus to Myanma Oil and Gas Enterprise with respect to each crude oil Development and Production Area as follows:

Production Bonus

Crude Oil

Upon approval of Development Plan		= 1.00 MMUS$
25,000 BOPD	(for 90 days consecutive period production)	= 2.0 MMUS$
50,000 BOPD	(for 90 days consecutive period production)	= 3.0 MMUS$
100,000 BOPD	(for 90 days consecutive period production)	= 4.0 MMUS$
150,000 BOPD	(for 90 days consecutive period production)	= 5.0 MMUS$
200,000 BOPD	(for 90 days consecutive period production)	= 10.0 MMUS$

Natural Gas

Upon approval of Development Plan		= 1.00 MMUS$
300 MMCFD	(for 90 days consecutive period production)	= 1.00 MMUS$
600 MMCFD	(for 90 days consecutive period production)	= 1.50 MMUS$
900MMCFD	(for 90 days consecutive period production)	= 2.00 MMUS$

8. Production Split between Myanma Oil and Gas Enterprise and PTTEP International Ltd. (Thailand) shall be allocated for Development and Production Area as follows:

Crude Oil

	Water Depth 600 feet or less		Water Depth more than 600 feet	
BOPD	MOGE (%)	CONTRACTOR (%)	MOGE (%)	CONTRACTOR (%)
0 - 25,000	55	45	60	40
25,001 - 50,000	60	40	65	35
50,001 - 75,000	65	35	75	25
75,001-100,000	70	30	75	25
100,001-150,000	75	25	80	20
> 150,000	80	20	90	10

Natural Gas

	Water Depth 600 feet or less		Water Depth more than 600 feet	
MMCFD	MOGE (%)	CONTRACTOR (%)	MOGE (%)	CONTRACTOR (%)
0-300	50	50		
301-600	55	45		
>600	60	40		
0-150			60	40
151-300			65	35
301-600			75	25
601-900			80	20
>900			90	10

9. PTTEP International Ltd. shall recover all Petroleum Costs in respect of all Petroleum Operations hereunder to extent of a maximum of 50(Fifty)percent per Quarter of all Available Petroleum for water depth of 600 feet or less and maximum 60(Sixty) percent of all Available Petroleum for water depth of more than 600 feet.

10. After the commencement of commercial production of Crude Oil, PTTEP International Ltd. (Thailand) shall fulfill as its obligation 20(Twenty) percent of Crude Oil and 25(Twenty Five) percent of Natural Gas toward the supply of the domestic Crude Oil market and Natural Gas market in Myanmar. Myanma Oil and Gas Enterprise shall pay the price equivalent of 90 (Ninety) percent of the Fair Market value.

11. PTTEP International Ltd. (Thailand) shall provide Training Fund to the amount of US$ 50,000 (United States Dollars Fifty Thousand Only) per annum for Exploration Period and US$ 100,000 (United States Dollars One Hundred Thousand Only) per annum for Development and Production Period and shall also provide Research and Development Fund to the amount of 0.5 (Zero Point Five) percent of its share of profit Petroleum in favour of Myanma Oil and Gas Enterprise.

12. PTTEP International Ltd. is liable to pay the Government the following tranches out of the net profit made on the sale or transfer of the shares in the Company.

(a)	If the amount of Net Profit is up to and including US$ 100 million (United States Dollars One Hundred Million Only)	40%
(b)	If the amount of Net Profit is above US$ 100 million (United States Dollars One Hundred Million Only) and up to and including US$ 150 million (United States Dollars One Hundred and Fifty Million Only)	45%
(c)	If the amount of Net Profit is over US$ 150 million (United States Dollars One Hundred and Fifty Million Only)	50%

13. In issuing this "Permit", the Commission has granted the following exemptions and reliefs :

(a) As per Section-21(e), PTTEP International Ltd. shall have the right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed for the project.

(b) As per Section-21(f), the Commission has also approved the right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.

(c) As per Section-21(i) and (j), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which they are imported as they are actually required, and also on such raw materials imported during the period of exploration.

14. PTTEP International Ltd. shall have to sign the Production sharing Contract with Myanma Oil and Gas Enterprise. After signing such Agreement, (5) copies each of those shall have to be forwarded to the Commission.

15. PTTEP International Ltd.in consultation with the Department of Company Administration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

16. PTTEP International Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

17. The official date of operation shall be reported to the Commission.

18. PTTEP International Ltd.shall endeavour to meet the targets for Exploration and Production of Petroleum stated in the proposal as the minimum target.

19. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. PTTEP International Ltd.shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

20. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened;

(b) the detailed lists of the type and value of foreign capital defined under Section-2(h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Committee.

21. Whenever PTTEP International Ltd.brings in foreign capital defined under Section-2(h) of the said Law, other than foreign currency in the manner stated in paragraph 19(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

22. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)].

23. PTTEP International Ltd.shall report to the Commission of any alteration in the physical and financial plan of the project. Cost over-run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

24. PTTEP International Ltd.shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94(0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

25. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc. shall only be made out of the official foreign exchange earnings of PTTEP International Ltd.

26. PTTEP International Ltd.in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

(U Thaung)
Chairman

Managing Director
Myanma Oil and Gas Enterprise.

cc:
1. Office of the Chairman of State Peace and Development Council
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Office of the Chief of Military Intelligence, Ministry of Defence
5. Ministry of National Planning and Economic Development
6. Ministry of Finance and Revenue
7. Ministry of Commerce
8. Ministry of Energy
9. Ministry of Foreign Affairs
10. Ministry of Home Affairs
11. Ministry of Immigration and Population
12. Ministry of Labour
13. Ministry of Electric Power
14. Chairman, Foreign Capital Evaluation Committee
15. Director General, Directorate of Investment and Company Administration
16. Director General, Customs Department
17. Director General, Internal Revenue Department
18. Managing Director, Myanma Foreign Trade Bank
19. Managing Director, Myanma Investment and Commercial Bank
20. Managing Director, Myanma Insurance
21. Managing Director, Myanma Electric Power Enterprise
22. Director General, Directorate of Trade
23. Director General, Immigration and National Registration Department
24. Director General, Directorate of Labour
25. Chairman, Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)